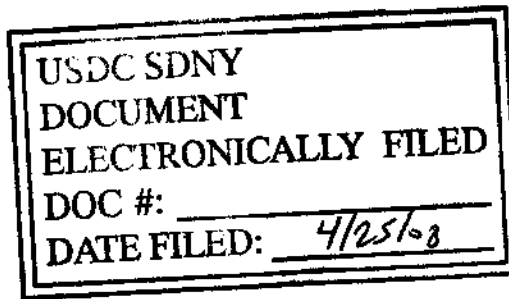


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Kevin J. Lennon
Attorneys for Defendant
The Gray Bar Building
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New York, NY 10170
(212) 490-6050 - phone
(212) 490-6070 - facsimile



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
ASIAN FRIENDSHIP SHIPPING LTD., :
 :
Plaintiff, :
 :
- against - :
 :
KOREA LINE CORPORATION, :
 :
Defendant. :
-----X

08-CV-3569 (BSJ)

**SPECIAL BOND AGREEMENT AS SUBSTITUTE SECURITY FOR
SUPP. RULE B MARITIME ATTACHMENT PURSUANT TO SUPP. RULE E(5)**

WHEREAS, the Plaintiff, ASIAN FRIENDSHIP SHIPPING LTD. ("AFS") has obtained an Ex Parte Order dated April 15, 2008 authorizing issuance of Process of Maritime Attachment and Garnishment against the Defendants in the sum of Six Million Five Hundred Forty-Six and Six Hundred and Six (U.S. \$6,546,606) as security for its claims as alleged in a Verified Complaint dated April 15, 2008; and

WHEREAS the Defendant, KOREA LINE CORPORATION ("KLC") seeks to provide substitute security in the form of bond for such alleged claims without waiver or prejudice of any of KLC's rights and that the provision of this bond is understood to be entirely without prejudice to any and all other rights, claims, counter-claims and/or defenses whatsoever which are, or may

*Approved 4/25/08
S. Michael M. Lennon
Clerk
By [Signature]
04/26/08*

be, available to KLC, and / or to any claim(s) which KLC may have in respect of the underlying London arbitration;

NOW THEREFORE, TRAVELERS CASUALTY AND SURETY CO. having an office and principal place of business at One Tower Square, Hartford, Connecticut 06183, hereby agrees to be firmly bound to AFS in the sum of Six Million Five Hundred Forty-Six and Six Hundred and Six (U.S. \$6,546,606) pending the outcome of the underlying London arbitration and/or the outcome of any recognition and enforcement action in New York;

The condition of this obligation is that Travelers shall pay to AFS within 28 days of written demand from AFS any sum together with interest and costs not exceeding the sum of Six Million Five Hundred Forty-Six and Six Hundred and Six (U.S. \$6,546,606) which is either (a) agreed in writing between AFS and KLC to be due in respect of the matters alleged in the Verified Complaint or (b) for which KLC is determined to be liable by means of a final, enforceable and unappealable outcome of the underlying London arbitration or (c) a final, enforceable and unappealable judgment entered in the captioned action in the United States District Court for the Southern District of New York (the "New York Court").

PROVIDED, HOWEVER, that under no condition shall the liability hereunder exceed the sum of Six Million Five Hundred Forty-Six and Six Hundred and Six (U.S. \$6,546,606).

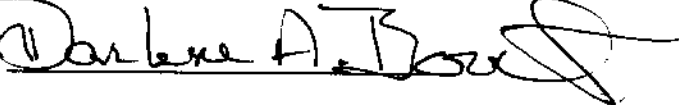
This Bond is furnished entirely without prejudice to any rights or defenses which KLC may have, none of which may be deemed to have been waived by the provision of this Bond.

The Surety agrees to be bound by all applicable orders of the New York Court in the captioned proceeding.

This Bond shall be governed by New York law and any disputes arising under it shall be submitted to the New York Court.

Dated: April 23, 2008

TRAVELERS CASUALTY AND SURETY CO.

By: 

Darlene A. Bornt, Attorney-in-Fact



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 219307

Certificate No. 002083720

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Candice T. Gros, Catherine C. Kehoe, Clark P. Fitz-Hugh, Darlene A. Bornt, Elizabeth C. Labat, Katherine B. Werner, Linda A. Bourgeois, R. Tucker Fitz-Hugh, Marley Morris, Kristine Sellers, and Elizabeth Treadway

of the City of New Orleans, State of Louisiana, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 4th day of December, 2007.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

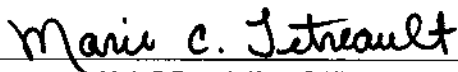
By: 

George W. Thompson, Senior Vice President

On this the 4th day of December, 2007, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2011.




Marie C. Tetreault, Notary Public